

Distinct Recruitment

Disclosure Report

Date Submitted: October 23rd, 2024

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Disclosure Materials

Certified B Corporations must complete a Disclosure Questionnaire to identify potentially sensitive issues related to the company (e.g. historical fines, sanctions, material litigation, or sensitive industry practices).

This component does not affect the company's score on the B Impact Assessment. If the company answers affirmatively to any items in the Disclosure Questionnaire that B Lab deems relevant for public stakeholders, then, as a condition of their certification, the company must:

- Be transparent about details of the disclosure issues identified on the company's public B Impact Report
- 2) Describe how the company has addressed this issue
- 3) Demonstrate that management practices are in place to avoid similar issues from arising in the future, when necessary.

In all cases, the Standards Advisory council reserves the right to refuse certification if the company is ultimately deemed not to uphold the spirit and integrity of the community.

In addition to the voluntary indication of sensitive issues in the Disclosure Questionnaire, companies pursuing Certification also are subject to a background check by B Lab staff. Background checks include a review of public records, news sources, and search engines for company names, brands, executives/founders, and other relevant topics.

Sensitive issues identified through background checks may or may not be within the scope of questions in the Disclosure Questionnaire, but undergo the same review process and are subject to the same possible review by the Standards Advisory Council, including ineligibility for B Corp Certification, required remediation, or disclosure.

This document contains a copy of the company's completed Disclosure Questionnaire and related disclosure documentation provided by the company



Disclosure Questionnaire

Industries and Products

Yes No Please indicate if the company is involved in production of or trade in any of the following. Select Yes for all options that **Animal Products or Services** $\boxed{}$ **Biodiversity Impacts** Chemicals $\boxed{}$ **Disclosure Alcohol Disclosure Firearms Weapons** $\boxed{}$ **Disclosure Mining** $\boxed{}$ **Disclosure Pornography** $\boxed{}$ **Disclosure Tobacco** $\boxed{}$ **Energy and Emissions Intensive** $\boxed{}$ Industries Gambling \square **Genetically Modified Organisms** \square Illegal Products or Subject to \square **Phase Out** Industries at Risk of Human $\overline{\mathbf{A}}$ **Rights Violations Monoculture Agriculture Nuclear Power or Hazardous** \square **Materials** Payday, Short Term, or High $\overline{\mathbf{A}}$ **Interest Lending** Water Intensive Industries \square **Tax Advisory Services** \square

Outcomes & Penalties

	Yes	No	
Please indicate if the company has had any formal complaint to a regulatory agency or been assessed any fine or sanction in the past five years for any of the following practices or policies. Check all that apply.			
Anti-Competitive Behavior		∀	
Breaches of Confidential Information		N	
Bribery, Fraud, or Corruption		N.	
Company has filed for bankruptcy		N.	
Consumer Protection		V	
Financial Reporting, Taxes, Investments, or Loans		\searrow	
Hazardous Discharges Into Air/Land/Water (Past 5 Yrs)		V	
Labor Issues		V	
Large Scale Land Conversion, Acquisition, or Relocation		N	
Litigation or Arbitration		V	
On-Site Fatality		V	
Penalties Assessed For Environmental Issues		V	
Political Contributions or International Affairs		V	
Recalls		\vee	
Significant Layoffs		V	
Violation of Indigenous Peoples Rights		V	
Other		\checkmark	



Practices

	Yes	No
Please indicate if the following statements are true regarding whether or not the company engages in the following practices. Check all that apply. If the statement is true, select "Yes." If false, select "No."		
Animal Testing		\checkmark
Company/Suppliers Employ Under Age 15 (Or Other ILO Minimum Age)		\checkmark
Company prohibits freedom of association/collective bargaining		\checkmark
Company workers are prisoners		\checkmark
Conduct Business in Conflict Zones		\checkmark
Confirmation of Right to Work		\checkmark
Does not transparently report corporate financials to government		\checkmark
Employs Individuals on Zero-Hour Contracts		\vee
Facilities located in sensitive ecosystems		V
ID Cards Withheld or Penalties for Resignation		V
No formal Registration Under Domestic Regulations		\vee
No signed employment contracts for all workers		V
Overtime For Hourly Workers Is Compulsory		V
Payslips not provided to show wage calculation and deductions		\vee

	Yes	No
Sale of Data		V
Tax Reduction Through Corporate Shells		N
Workers cannot leave site during non-working hours		N
Workers not Provided Clean Drinking Water or Toilets		N
Workers paid below minimum wage		\searrow
Workers Under Bond		✓
Other	\checkmark	

Supply Chain Disclosures

	Yes	No
Please indicate if any of the following statements are true regarding your company's significant suppliers.		
Business in Conflict Zones		\vee
Child or Forced Labor		V
Negative Environmental Impact		\vee
Negative Social Impact		V
Other		✓



Disclosure Questionnaire Statement

Disclosure Questionnaire Category: Other - Clients in Controversial Industries

Topic	Clients in Controversial Industries
Summary of Issue	Distinct Recruitment is a recruitment agency with expertise in the area of Finance, Human Resources, Marketing, IT & office support, Supply chain & procurement and Executive search.
	The company has had clients in the Alcohol, Animal Products or Services, Bottled water companies, Defense (Private, Government, and/or NGO) and/or Offensive Firearms, and Weapons, For-profit higher education, Fossil Fuels (including coal/oil sands and non-coal/oil sands), Gambling, Pharmaceuticals and Tax Advisory Services industries. The services provided to the clients relate to placement of candidates in roles within their organization.
	The services provided to the clients can be sold to other clients in different industries, including other both non-controversial and controversial industries, although it is tailored from client/industry to client/industry based on the requirements.
Size/Scope of Issue (e.g. \$ financial implication, # of individuals affected)	In the fiscal year of 2024, the company had earned a total revenue of ;
of individuals affected)	 - 0.3% from clients in the alcohol industry - 0.3% from clients in the bottled water industry - 0.2% from clients in the defense industry (the company has stopped engaging with clients from the industry) - 1% from clients in the for-profit higher education industry - 0.8% from clients in the fossil-fuel (non coal/oil sands) industry - 0.7% from clients in the gambling industry - 1.3% from clients in the pharmaceutical industry - 42% from clients in the tax advisory services industry
	The company had last engaged with clients in the animal products/services and fossil-fuel (coal/oil sands) industries in the year of 2022 and had earned 0.2% and 0.3% of total revenue respectively from each of the client industries.
Impact on Stakeholder(s)	Companies that work with clients in controversial industries can indirectly increase the harmful impact to stakeholders by enabling business growth. Therefore, companies that work with



clients in these industries should have practices in place to ensure that their impact is aimed at decreasing the negative impacts of the industry.

B Lab has flagged the involvement of companies with clients in controversial industries as a material issue and new standards will be created to address possible risks related to this matter.

Implemented Management Practices

As of September 2024, the company has formalized its Ethical Engagement policy which outlines a list of client industries that it would not engage with in the future. This includes Tobacco, Weapons and Firearms and Pornography.

The policy also outlines the due-diligence process for other clients that are deemed to be from sensitive industries such as Alcohol, Debt collection agencies in emerging markets, Mining, Nuclear Power or Hazardous Materials, etc. All potential clients working within these sectors should be referred to the company's Finance Director for evaluation prior to entering into any contractual relationship.

The Finance Director with the team will rigorously examine the ethical implications of establishing a professional relationship with the specific client. Scrutiny will encompass an extensive assessment of the potential societal, environmental, and human rights implications of the project, in addition to a comprehensive analysis of any associated risks. Specifically, prospective clients will be considered upon evaluation against the following criteria:

- Involvement in Human Rights Violations: Documented history of human rights abuses, labour exploitation, or other severe violations of human dignity and rights.
- Potentially Causing Severe Environmental Harm: Engagement in practices leading to significant environmental degradation.
- Involvement in Illegal Activities: Engagement in illegal practices, including drug trafficking, slave labour, smuggling, corruption, and fraud.

The Board of Directors will consider and make a decision on the proposed client relationship on the basis of the above



evaluation being completed and presented by the Finance Director.